

# KEEGAN WERLIN LLP

ATTORNEYS AT LAW  
265 FRANKLIN STREET  
BOSTON, MASSACHUSETTS 02110-3113

(617) 951-1400

TELECOPIERS:

(617) 951- 1354

(617) 951- 0586

December 6, 2005

VIA HAND DELIVERY

Luly Massaro, Commission Clerk  
Rhode Island Public Utilities Commission  
89 Jefferson Boulevard  
Warwick, Rhode Island 02888

RE: Docket No. 3690, Earnings Sharing Mechanism and Distribution Adjustment Charge Filing

Dear Ms. Massaro:

Enclosed please find an original and nine (9) copies of New England Gas Company's responses to the Public Utilities Commission's Fourth Set of Data Requests, as well as to DIV 2-11, in the above captioned docket. Thank you for your attention to this filing.

Sincerely,



Cheryl M. Kimball  
(R.I. Bar #6458)

Enclosure

cc: Luly Massaro, Commission Clerk (nine copies)  
service list, docket no. 3690

**New England Gas Company  
Docket No. 3690**

**Record Request and Response**

**Requestor:** Commission  
**Respondent:** Peter Czekanski  
**Issue Date:** November 8, 2005

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**Q. COMM 4-01** Provide a summary of environmental costs to reflect: total costs incurred by year; total cost by site; total amortizations (recovery from ratepayers) by year; and the remaining amounts of environmental expenditures recoverable from ratepayers.

Provide this summary through the period ended June 30, 2005.

**A. COMM 4-01** A summary of environmental costs by year by site/environmental project, along with total insurance recoveries and booked amortization amounts by year are attached. Also included is the unamortized balance or remaining amounts of environmental expenditures recoverable from ratepayers through the period ending June 30, 2005.

## Environmental Response Cost (ERC) Recovery

F:\prishan\DKt 3690 - DAC Nov 2005\Data Request\November 8, 2005 COMM 4th Set\Attachment.xls\ERC Detail

I. Environmental Expenses by Project									
	Bal @ 6/30/2001	FY02 Activity	Bal @ 6/30/2002	FY03 Activity	Bal @ 6/30/2003	FY04 Activity	Bal @ 6/30/2004	FY05 Activity	Bal @ 6/30/2005
907-1 Blackstone Street	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
907 Envir Phase II @ Allens Ave	\$1,282,527	\$50,358	\$1,332,885	\$8,417	\$1,341,302	\$79,652	\$1,420,955	\$14,576	\$1,435,531
908 Allens Avenue	\$3,424,436	\$137,163	\$3,561,600	(\$221,239)	\$3,340,361	\$0	\$3,340,361	\$5,430	\$3,345,791
908 - 01 Allens Avenue	\$8,675,712	\$1,602,576	\$10,278,288	\$3,543,276	\$13,821,565	\$13,086	\$13,834,651	(\$58,520)	\$13,776,131
306 Insur Pol, no Pollution Excl	\$33,047	\$0	\$33,047	\$6,955	\$40,002	\$0	\$40,002	\$0	\$40,002
307 PCB Reg Pipe Abandon.	\$19,489	\$190	\$19,679	\$0	\$19,679	\$14,007	\$33,686	\$39,895	\$73,581
309 Manchester Street	\$152,861	\$0	\$152,861	\$0	\$152,861	\$0	\$152,861	\$0	\$152,861
317 Plympton	\$77,333	\$0	\$77,333	\$0	\$77,333	\$0	\$77,333	\$0	\$77,333
379 Petroleum Site	\$470,582	\$60,070	\$530,652	(\$6,573)	\$524,079	(\$36,113)	\$487,965	\$6,026	\$493,991
700 18 & 21 Holders COR	\$44,375	\$5,599	\$49,974	\$4,772	\$54,746	\$3,300	\$58,046	\$1,745	\$59,791
161 Canal Street, Westerly	\$33,183	\$0	\$33,183	(\$4,050)	\$29,133	\$0	\$29,133	\$0	\$29,133
963 Narr. Electric, South St.	\$2,400	\$0	\$2,400	\$0	\$2,400	\$0	\$2,400	\$0	\$2,400
170 IAG Insurance Investment	\$47,987	\$0	\$47,987	\$0	\$47,987	\$0	\$47,987	\$0	\$47,987
170 General Enviro Issues	\$24,934	\$0	\$24,934	\$36,165	\$61,099	\$844	\$61,943	\$69	\$62,012
178 Site Inv Connell Hwy Newp	\$0	\$9,780	\$9,780	\$14,277	\$24,057	\$11,387	\$35,444	\$8,074	\$43,518
144 Westerly Soil Investigation	\$78,134	\$0	\$78,134	\$4,050	\$82,184	\$0	\$82,184	\$0	\$82,184
171 Contaminated Regulators	\$770,028	\$306,552	\$1,076,580	\$45,035	\$1,121,615	\$46,360	\$1,167,975	\$87,955	\$1,255,930
781 Mendon Road	\$121,355	\$0	\$121,355	\$0	\$121,355	\$0	\$121,355	\$0	\$121,355
782 Tidewater	\$146,294	\$0	\$146,294	\$0	\$146,294	\$36,945	\$321,832	\$2,698	\$324,530
783 Hamlet	\$95,970	\$0	\$95,970	\$0	\$95,970	\$991	\$96,961	\$0	\$96,961
784 Environmental Study	\$12,511	\$0	\$12,511	\$0	\$12,511	\$336	\$12,847	\$0	\$12,847
785 Gooding Ave	\$34,079	\$0	\$34,079	\$0	\$34,079	\$0	\$34,079	\$0	\$34,079
786 Plympton	\$23,382	\$0	\$23,382	\$0	\$23,382	\$0	\$23,382	\$0	\$23,382
787 Site Inv 19 Brown St, Warren R	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$9,728	\$9,728
Sub-Total	\$15,570,621	\$2,172,287	\$17,742,909	\$3,431,086	\$21,312,587	\$170,796	\$21,483,384	\$107,948	\$21,591,332
II. Insurance Recovery/Settlement									
910 Environ Insur Settlement		\$350,000	\$350,000	\$9,443,759	\$9,793,759	\$643,756	\$10,437,515	(\$28,759)	\$10,408,756
III. Net FY2005 Environmental Response Costs									
		\$1,822,287		(\$6,012,673)		(\$472,960)		\$136,707	
IV. Environmental Amortization									
Beginning Balance			(\$4,204,368)		(\$4,882,656)		(\$6,133,681)		(\$6,983,857)
Amortization **			(\$678,288)		(\$1,251,025)		(\$850,176)		(\$574,530)
Ending Balance			(\$4,882,656)		(\$6,133,681)		(\$6,983,857)		(\$7,558,387)
V. Unamortized Balance									
			\$12,510,253		\$5,385,147		\$4,062,012		\$3,624,189

note: \* The balance of 6/30/03 includes Cumberland activity as a result of the consolidated rate filing

\*\* The Amortization amount shown here represents the July through June booked amount vs. the amortization shown on Attachment PCC-3, page 2 in the August 1, 2005 Docket No. 3690 filing

**New England Gas Company  
Docket No. 3690**

**Record Request and Response**

**Requestor:** Commission

**Respondent:** Robert Riccitelli

**Issue Date:** November 8, 2005

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- Q. COMM 4-02** Provide a summary by year of insurance recoveries on environmental costs through June 30, 2005; show the amount(s) of any unamortized insurance recoveries that will be used to offset environmental costs in future periods. Also, provide information on any potential insurance recoveries that the Company may now have knowledge of.
- A. COMM 4-02** Please see the Company's reply to data request COMM 4-01 for a summary of year-by-year insurance recoveries on environmental costs. At this time the Company is not aware of any additional potential insurance recoveries.

New England Gas Company  
Docket No. 3690

Record Request and Response

Requestor: Commission  
Respondent: Robert Riccitelli  
Issue Date: December 16, 2005

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**Q. COMM 4-03** In Commission data request 1-13, 1-14, and 1-15, New England Gas provided information on pension expense, pension funding contributions, and tax deductible amounts of pension contributions. Similar information was provided for prior years in Docket 3548 (Commission data request 2-10 and 3-9) that appears to provide some conflicting information. One reason for the conflicting information may be the change of the Company's fiscal year. In order to have appropriate comparative information, I'm again requesting the pension data for fiscal years 2003, 2004 and 2005. Please provide the information requested below using the schedule format attached.

- The FAX 87 pension expense amount for the fiscal year used for calculating income for sharing.
- The *maximum* tax-deductible amount of contributions for the fiscal year – *or appropriate calendar year period*.
- The amount of contributions made to pension funds for the fiscal year.

If presentation of comparative amounts can only be made on a calendar year basis, then provide all the information on a calendar year basis. However, also provide any information that is available on a fiscal year basis on a separate schedule.

**A. COMM 4-03** Please refer to the chart provided below.

**New England Gas Company  
Docket No. 3690**

**Record Request and Response**

New England Gas Summary of Pension Expense and Funding

Fiscal Year Ended -- June 30,	FAS 87 Pension Expense --used for Sharing Calculation	Tax Deductible Amount—for Fiscal Year	Maximum Tax Deductible Amount—for Calendar Year (If Applicable)	NE Gas' Contribution To its Pension funds
2003	\$1,638,389 Docket 3548 FY04 COMM 2-10	\$1,350,000	\$3,565,408 Docket 3548 COMM 3-09	\$1,350,000 Docket 3690 COMM 1-14
2004	\$6,263,958 Docket 3548 FY04 COMM 1-13	\$599,990	\$7,856,609	\$599,990 Docket 3690 COMM 1-14
2005	\$4,424,769 Docket 3690 COMM 1-13	\$4,064,772	N/A	\$4,064,772 Docket 3690 COMM 1-14

The tax-deductible amount for a given fiscal year is equal to the contribution amounts provided. Although not requested, the contributions for calendar years 2003 and 2004 were \$2,858,158 and \$3,626,754, respectively. Because the calendar year 2005 period has just ended, the tax return for this period has not yet been filed and the corresponding information is not yet available.

**New England Gas Company  
Docket No. 3690**

**Record Request and Response**

**Requestor:** Commission

**Respondent:** Robert Riccitelli

**Issue Date:** November 8, 2005

**Q. COMM 4-03** In Commission data request 1-13, 1-14 and 1-15, New England Gas provided information on pension expense, pension funding contributions, and tax deductible amounts of pension contributions. Similar information was provided for prior years in Docket 3548 (Commission data requests 2-10 and 3-9) that appears to provide some conflicting information. One reason for the conflicting information may be the change of the Company's fiscal year. In order to have appropriate comparative information, I'm again requesting the pension data for fiscal years 2003, 2004 and 2005. Please provide the information requested below using the schedule format attached.

**A. COMM 4-03**

New England Gas Summary of Pension Expense and Funding

Fiscal Year Ended -- June 30,	FAS 87 Pension Expense -- used for Sharing Calculation	Tax Deductible Amount—for Fiscal Year	Tax Deductible Amount—for Calendar Year (If Applicable)	NE Gas' Contribution To its Pension funds
2003	\$1,638,389 FY 2004 COMM 2-10	\$1,350,000	N/A	\$1,350,000 FY 2005 COMM 1-14
2004	\$6,263,958 FY 2005 COMM 1-13	\$599,990	N/A	\$599,990 FY 2005 COMM 1-14
2005	\$4,424,769 FY 2005 COMM 1-13	N/A	\$4,064,772	\$4,064,772 FY 2005 COMM 1-14

**New England Gas Company  
Docket No. 3690**

**Record Request and Response**

**Requestor:** Division  
**Respondent:** Robert Riccitelli  
**Issue Date:** October 5, 2005

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- Q. DIV 2-11** Please identify all costs associated with the comprehensive review of all health, safety, and environmental policies.
- A. DIV 2-11** As a result of the review of all health, safety and environmental policies during Fiscal Year 2005, the Company incurred \$421,832 of expense charged to FERC Account 923. The Company employed the legal and consulting services of Safety & Health Compliance Solutions, Herbert Clark Co, and Cross Country Energy Services, LLC.